



PRESS RELEASE

Arcaplanet, the leading pet care retail chain in Italy, has signed an agreement to join forces with Fortesan

20 November 2017 – Arcaplanet Group, a company owned by the Permira Funds and by management, announced that it has signed an agreement to acquire Mondial Pet Distribution, a company owned by the Pautassi family and by Edmond de Rothschild Investment Partners, which controls Fortesan, a specialized retail chain operating in the same sector.

Arcaplanet Group, founded in 1995 by CEO Michele Foppiani, manages 210 stores with over 10,000 SKUs, ranging from pet food and accessories to healthcare products. The Group has also developed its portfolio of owned brands, such as Start, Expecial, Next, HiFish and, more recently, Virtus. Since 2014, Arcaplanet also operates through its own e-commerce site. In 2016, Arcaplanet posted revenue of €169 million (+23% compared to 2015), with over 1,000 employees.

Fortesan, founded in the late 90s by Vittorio Pautassi, currently operates through a network of 69 stores, in addition to its e-commerce channel. Over the years, the Company has developed a broad range of owned branded products able to meet the needs of its customers who are increasing their spending for the wellbeing of their pets. In 2016, Fortesan posted revenues of €50 million (+19% compared to 2015).

The combined Group will have approximately 280 stores located across 15 Italian regions and will continue its ambitious growth path. The transaction is subject to approval from the Italian Antitrust Authority.

"We are delighted with our expansion path – said Michele Foppiani, founder and CEO of Arcaplanet – and the important agreement reached with Fortesan allows us to further strengthen our presence on the market; we are the third player in the sector at European level".

"We are proud to have reached an agreement with Arcaplanet – said Vittorio Pautassi, founder and Chairman of Mondial Pet Distribution – and the combination of the two pet care chains will further boost growth, in a market in which the ability to support investments will be essential".

"We are very proud of having contributed, in partnership with Michele Foppiani and Arcaplanet team, to accelerating the Group's development. Since our funds' investment in June 2016 – Fabrizio Carretti, Partner and Head of Permira Italy, said – Arcaplanet Group has successfully completed 3 acquisitions: Zoomarketshop (Sardinia), Country Shop (Turin and its province) and now Fortesan".

"We strongly believe in this integration project – Massimo Massari and Luca Ravano, Partners of Edmond de Rothschild Investment Partners, commented – and in the further development opportunities of Arcaplanet Group. Therefore, we have decided to remain invested in the project together with Michele Foppiani, his team and the Permira Funds. A special thanks goes to Vittorio Pautassi, his family and his team for the great work done so far in developing the company".



Arcaplanet

Arcaplanet is the leading pet care retail chain in Italy. In over twenty years since its foundation, the Company has achieved strong growth, having reached over 1,000 employees, and currently controlling a network of 210 directly operated stores located across 15 Italian regions, as well as an e-commerce platform. The Company, with over one million active customers, helps meet the needs of all pets through an innovative product and service offering via its proprietary brands, including Start, Expecial, Next, HiFish and Virtus. The Company's points of sale are differentiated by format and scale, from a minimum of 150 sqm to over 1,000 sqm. In June 2016, the Permira Funds acquired the majority stake in the Company.

Fortesan

Fortesan was founded in the 90's by the Pautassi family. Today, Fortesan is the 4th largest Italian pet retail chain, with 69 directly operated stores located in urban centers, retail parks and shopping malls. Fortesan has been one of the pioneering operators specialized in pet care products and has been able to meet the evolving needs of consumers increasingly aware of their responsibilities in taking care of their pets, also through the development of a broad portfolio of third party and own brands such as Vividog, Vivicat, Specialistick Natursan, Specialistick Nutraceuticals and Nursan. In 2016, Edmond de Rothschild Investment Partners acquired a minority stake in the Company.

I Fondi Permira

Permira is a global investment Firm that finds and backs successful businesses with growth ambition. Founded in 1985, the Firm advises funds with a total committed capital of approximately €32 billion (US\$35 billion). The Permira Funds make long-term investments in companies with the ambition of transforming their performance and driving sustainable growth. In the past 32 years, the Permira funds have made over 200 private equity investments in five key sectors: Consumer, Financial Services, Healthcare, Industrials and Technology. Permira employs over 200 people in 14 offices across North America, Europe and Asia.

For further information: www.permira.com

Edmond de Rothschild Investment Partners

Edmond de Rothschild Investment Partners is the reference for private equity in the Edmond de Rothschild Group. Established in France, the company has currently approximately 1,8 billion euros under management in the development/growth capital and buyout capital (Winch for mid-cap and Cabestan for small-cap segment), life science (BioDiscovery), and mezzanine financing (ActoMezz). The fund can rely on the experience of 58 people, 40 of whom private-equity professionals. In particular, in the mid-market segment Edmond de Rothschild Investment Partners manages Winch Capital 3, a 300 million euros fund raised in 2014 offering French and Italian mid-sized companies effective solutions for their growth, also through the re-organization of their shareholding structure. The two previous funds, Winch Capital (Euro 165 million,



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started in 2005) and Winch Capital 2 (Euro 250 million, started in 2010) are fully invested in approximately twenty small and medium enterprises (in Italy F.I.L.A. – Fabbrica Italiana Lapis ed Affini, already divested, Unitedcoatings Group, Fortesan and Sapore di Mare). The Italian investments of Edmond de Rothschild Investment Partners are carried out through Winch Capital 3 and Winch Italia SICAF, controlled by Mast Capital Partners and its partners.

For further information: www.edrip.fr